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NEWARK DEMOTES AND LAYS OFF EMPLOYEES TO BALANCE BUDGET

The City of Newark issued layoff notices to approximately 238 employees today (November 16, 1983). Of those being laid off, 59 will be retained at a lower pay scale. This will include 28 fire superior officers and 31 police superior officers. Approximately 116 from other departments will be laid off. The layoffs will take effect on December 31, 1983.

The demotions will be done in the fire and police departments in accordance with established "bumping" procedures. However, no police officers will leave the payroll entirely. In the fire department, however, 63 firemen will be laid off.

Commenting on the action, Newark Mayor Kenneth A. Gibson noted, "Although the 1984 budget will not be submitted to the City Council until January 15, 1984, Civil Service rules demand that we must notify employees at this time. I am hopeful that between now and the time these changes become effective, we will be able to identify additional revenues and economies as would permit us to minimize this loss of personnel."

The forty-five day advance warning period is required under New Jersey law for all actions affecting Civil Service personnel.

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"We are planning reductions in the municipal vehicle fleet and a crackdown on delinquent accounts owed to the city. We are making an effort to enlist union cooperation in reducing the city's labor costs. I expect these actions will yield significant savings. In fact, these actions will save the jobs of some municipal employees, but they will not be enough to eliminate the problem completely," Gibson said.

"The layoff and demotions, coupled with the elimination of approximately 210 positions which are currently vacant, will generate a savings of about \$9.5 million in 1984. I have made these decisions from the standpoint of prioritizing the basic services required by our citizens in the areas of public safety and sanitation. I have chosen to demote from the higher ranks in order to insure an adequate level of first line police officers and firefighters in the positions which most directly affect the public," Gibson stated.

"Newark will receive substantially less aid from Trenton and Washington in 1984, and, yet, the City will be forced to pay dramatic increases for items mandated by other levels of government. As an example, the costs of disposal of refuse is expected to rise by more than \$3 million due to state Department of Environmental Protection regulations and sewerage disposal costs, which have quadrupled in five years due to Federal statutes. Also, there will be an increase in the costs of union contracts for police and fire personnel, who enjoy binding arbitration privileges as a result of state law. The cost of

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maintaining the same complement of uniformed personnel in 1984 will rise by more than \$5 million, which is significantly more than the increase in cost for all other municipal employees put together, and the only reason is binding arbitration," Gibson noted.

"I will continue to explore every alternative available, including seeking more responsible levels of aid from the state and Federal governments, in order to minimize the effects of this action," Gibson concluded.

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